

TROPICANA ENTERTAINMENT INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited) (Continued)

Services Agreement

Effective April 1, 2017, Tropicana AC entered into a services agreement with TER (the "Services Agreement"), pursuant to which Tropicana AC will perform certain administrative services for TER related to TTMA and Plaza Associates on a month to month basis in exchange for a one-time service fee in the amount of \$0.6 million, which was paid on March 31, 2017. The Services Agreement has a one year term. At any time on or after September 30, 2017, TER may terminate the Services Agreement for any reason. If the Services Agreement is terminated before the end of the term, Tropicana AC will return a pro-rated portion of the fees paid by TER for the unexpired portion of the term.

Slot Lease and Purchase Agreements

Under a lease agreement dated September 12, 2016, with TTMA, Tropicana AC leased 250 slot machines commencing after the closing of the Taj Mahal. On January 18, 2017, TTMA agreed to terminate the slot lease agreement and Tropicana AC purchased the slot machines from TTMA for a purchase price of \$2.5 million, less the amount of the monthly lease payments in the aggregate amount of \$0.2 million made by Tropicana AC to TTMA under the lease agreement.

Database License and IP Sales Agreements

Effective October 1, 2016, the Company and TER entered into a Database License Agreement pursuant to which the Company licensed the Taj Mahal customer database from TER. On March 31, 2017 the Company and TER agreed to terminate the Database License Agreement and enter into a Customer Database and IP Sales Agreement, pursuant to which the Company purchased the Taj Mahal customer database and certain other intellectual property owned by TER, including the Taj Mahal trademark, for an aggregate purchase price of \$8.05 million.

New Jersey Division of Gaming Enforcement Surplus Credit

In the second quarter of 2017, the New Jersey Division of Gaming Enforcement ("NJDE") distributed to the Atlantic City casinos refunds, in the form of credits which could be used to offset future monthly NJDE operating cost charges. The refunds represented the excess of the NJDE monthly costs paid by the operating Atlantic City casinos over the actual NJDE operating costs incurred for the period July 1, 2015 through June 30, 2016. The Taj Mahal received a credit for approximately \$0.4 million. The NJDE agreed to allow Tropicana AC to purchase this credit from the Taj Mahal and apply it to payments made for future NJDE monthly charges by Tropicana AC. Tropicana AC purchased this credit from the Taj Mahal for \$0.4 million in the second quarter of 2017.

IEP Morris LLC

On June 27, 2017, IEP Morris LLC ("IEP Morris"), an affiliate of Icahn Enterprises, and Tropicana AC entered into a short term triple net lease agreement with annual rent of ten dollars (\$10) (the "Lease Agreement"), pursuant to which Tropicana AC leased the property formerly known as The Chelsea Hotel, located in Atlantic City ("The Chelsea") from IEP Morris. The Lease Agreement was terminated on July 6, 2017, at which time Tropicana AC paid IEP Morris approximately \$5.5 million for an assignment of a mortgage on The Chelsea and rights under certain other related agreements, pursuant to which The Chelsea was acquired by IEP Morris. On July 6, 2017, Tropicana AC recorded a deed from IEP Morris conveying title to The Chelsea to Tropicana AC.

Icahn Enterprises Holdings L.P.

Tender Offer

On June 23, 2017, the Company and Icahn Enterprises Holdings L.P., a Delaware limited partnership ("Icahn Enterprises") commenced a tender offer to purchase severally, and not jointly, up to 5,580,000 shares of common stock in the aggregate, at a price not greater than \$45.00 nor less than \$38.00 per share, by means of a "modified" Dutch auction, on the terms and subject to the conditions set forth in the Offer to Purchase dated June 23, 2017 and the related Letter of Transmittal (which, together with any amendments or supplements thereto, collectively constituted the "Offer"). The Offer was completed on August 9, 2017. The Offer was made severally, and not jointly, by the Company and Icahn Enterprises and upon the terms and subject to the conditions of the Offer, first, the Company severally, and not jointly, purchased 800,000 of the shares properly tendered, and second, Icahn